

Boadilla Garden (Boadilla del Monte)



Plaza del Teatro (Málaga)



Edificio Insur (Sevilla)



La Reserva (El Rompido)



Alminar II (Marbella)



Los Naranjos Singles (Marbella)



Parque Empresarial Insur Madrid Río



Selecta Rodas (Dos Hermanas)



Elements (Marbella)





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## Consolidation of the recovery of the real estate sector

- This recovery started in 2014, mainly in Madrid and Barcelona, and in certain coastal areas. It is starting to extend to other territories, backed by the growth in GDP, the intense creation of employment, improved confidence of families and good financial conditions.

## Insur Group

- Insur is a real estate group founded 72 years ago. It operates in West Andalusia, basically in Seville, Malaga, Costa del Sol and Madrid.
- It has two main areas of business: Development and Property, and two secondary businesses: Construction and Real Estate management projects.
- It has overcome the recession of the real estate sector without any dation in payment or applying any bank release, thanks to its:
  - A clear inclination towards property preservation (66% of GAV).
  - Traditional policy of acquiring land for urban development.
  - Vertical integration strategy.
  - Experienced management team.

## Strategy

- The strategy of Insur Group is defined in its Strategic Plan 2016-2020 and covers the following chief objectives:
  - Make use of the recovery in real estate in the area of development, by promoting geographic diversification in Madrid and Costa del Sol. Deliver 2,000-2,500 homes during the period from 2016 to 2020, with accrued income of 550-650 M€ (1). **Today, the Group has a land portfolio , on which 2,086 homes can be built (in plots acquired mainly between 2013 and 2016).**
  - Optimize resources in the **area of property**, increase the occupancy rate up to 85%-90% by 2020, reaching a turnover of 16.5-17.5 M€. In 2016, there have been new registrations for 11,763 m<sup>2</sup> (10.2% of the above-ground portfolio)
  - Promote the project **management and construction area**, which will provide additional recurring income for the Group.
  - It is estimated that NAV will grow from 285 M€ (1st semester 2015) to 350-375 M€ <sup>(2)</sup> in 2020.
- Insur Group has a powerful platform to make use of the recovery of the Spanish real estate market.

(1) In own developments and through JVs

(2) Without taking the distribution of dividends into consideration.

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- INTRODUCTION
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- Statistics of the past year confirm real recovery of the real estate cycle in Spain:
  - House prices have increased for the third consecutive year, by 4.5% (4th quarter 2016) on an interannual basis.
  - Mortgage volumes have increased by 17.3% in 2016, that is 47.9% from the start of recovery (2014).
  - Buying and selling of homes is growing by 15% (1st quarter 2017) on an interannual basis.
  - Development activities are being reactivated, with an annual growth of 29% in new, variable construction permits (2016), which has seen a growth of more than 83% over the past two years.

Source National Statistics Institute, Ministry of Development.

- This recovery started in 2014, mainly in Madrid and Barcelona, and in certain coastal areas. It is starting to extend to other territories, backed by the growth in GDP, the intense creation of employment, improved confidence of families and good financial conditions. The areas in which Insur operates (West Andalusia, basically in Seville, Malaga, Costa del Sol and Madrid) continue to show a higher upward trend greater than other geographic areas <sup>(1)</sup>.
- 2016 has also been a year marked by the recovery of the property market of the main Spanish cities, mainly focusing activity on Real Estate Investments Trusts, a vehicle used as a channeller from 2013 to 2015, when investment in this type of assets accelerated.
- With respect to property activity in Seville, specifically in office space, where the Group has over 85% of the GAV of its assets, there are also clear signs of recovery emerging. This recovery is backed by all statistical indicators available.

<sup>(1)</sup> Madrid, Malaga and Seville are highlighted as the three provinces with the greatest net creation of homes planned for 2015 to 2029, according to the latest survey published by the Bank of Spain, on the Creation of homes and medium-term main housing needs. This report also states that these three provinces have a stock of new, unsold, housing of a lower than average percentage of total housing (2.1%): 1.4%, 1.4% and 1.8% respectively.

# ECONOMIC ENVIRONMENT

## INTRODUCTION (II)

- This upward scenario will be reflected in the residential and office market, although growth will expand in land for urban development
  - In the last upward scenario, 1997-2007, house prices multiplied by 2.5x, while land rose by 6.3x.
  - 479,810 m<sup>2</sup> of land supplied <sup>(1)</sup> between 2014 and the 1st quarter 2017 to make use of this cycle.
- Insur Group is in a suitable position to take advantage of this trend (the recession has been overcome and its activity maintained). It has a competitive advantage owing to its ability to access funding in capital markets.



Jardines de Santa Ana III (Dos Hermanas)



Altos del Retiro (Marbella)



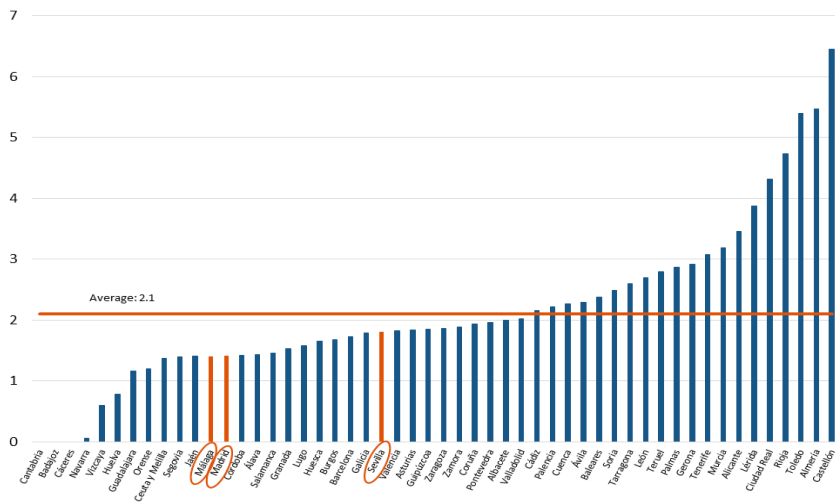
Insur Moscatelares (San Sebastian de los Reyes)

(1) 271,810 m<sup>2</sup> purchased (of which Insur has directly acquired 81,026 m<sup>2</sup> and the remainder through JVs at 50%), and 208.000 m<sup>2</sup> as a long-term option (in JVs at 50%).

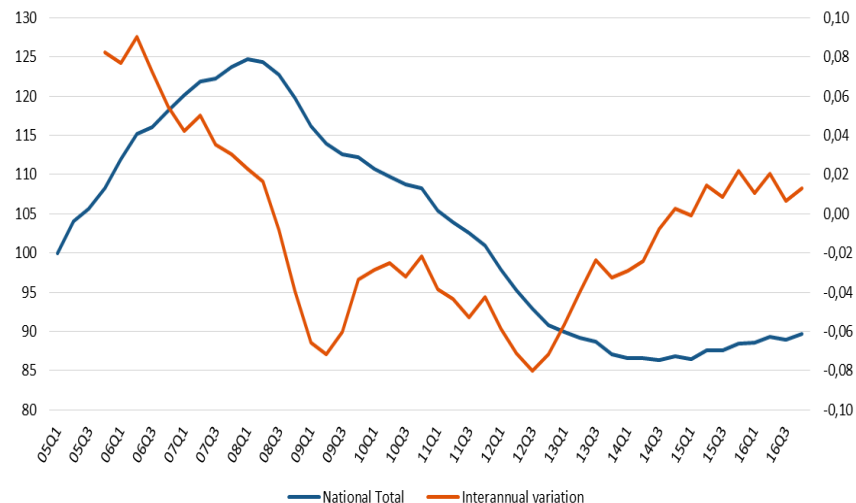
# ECONOMIC ENVIRONMENT

## DEVELOPMENT ACTIVITY - RECOVERY CONSOLIDATION (I)

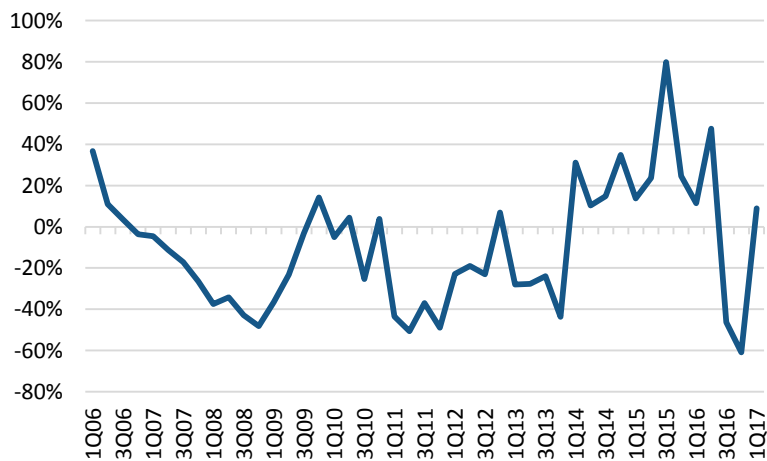
### Stock vs. Housing stock



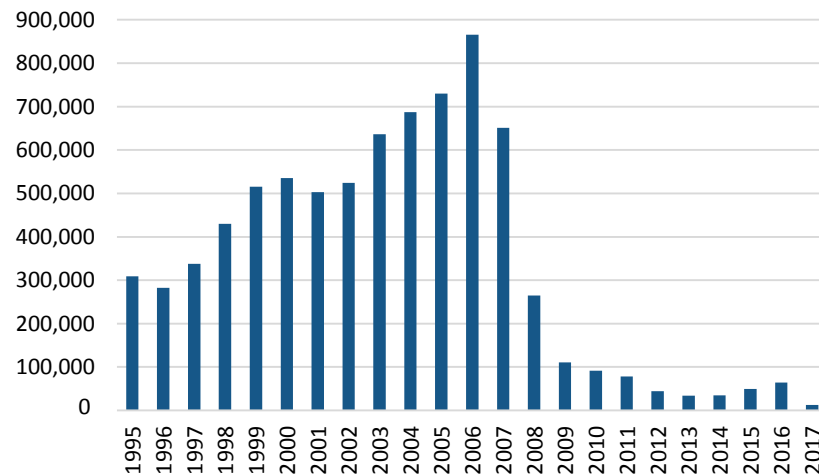
### Evolution of house prices



### Increase of home mortgage loans



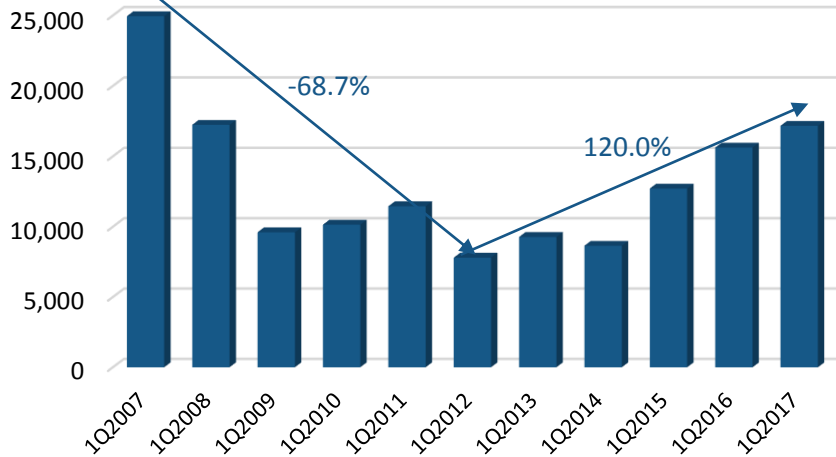
### New work approvals (Accumulated)



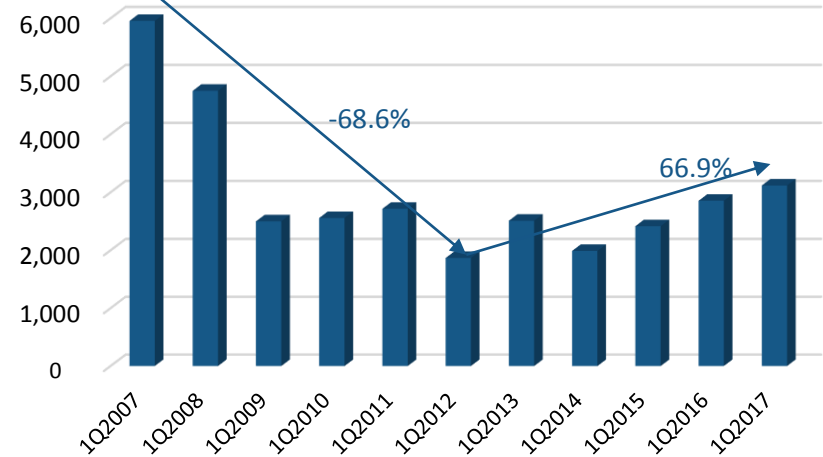
Source National Statistics Institute, Ministry of Development.

(\* Including January and February 2017 only)

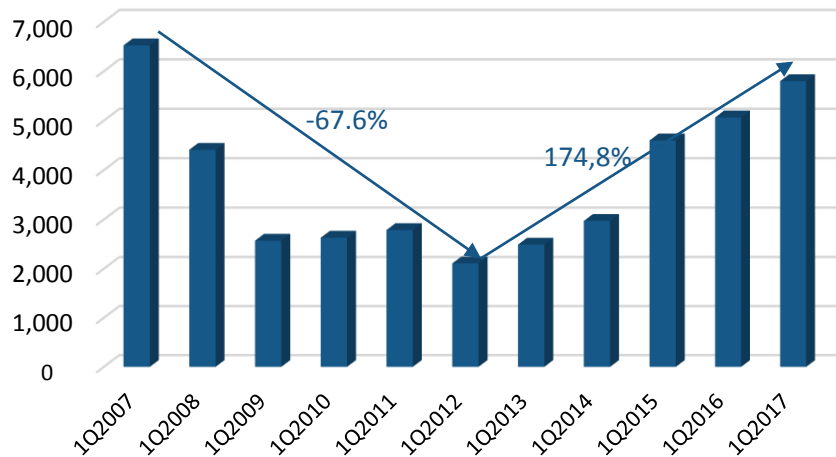
Second-hand housing transactions in Andalucia



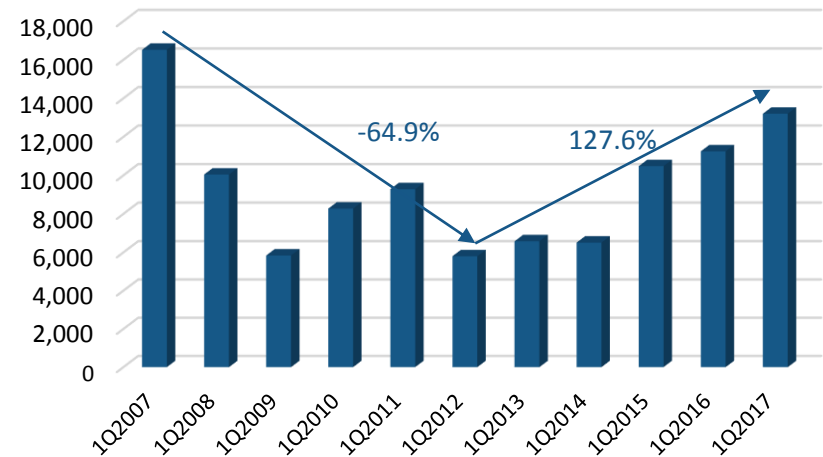
Second-hand housing transactions in Seville



Second-hand housing transactions in Malaga



Second-hand housing transactions in Madrid





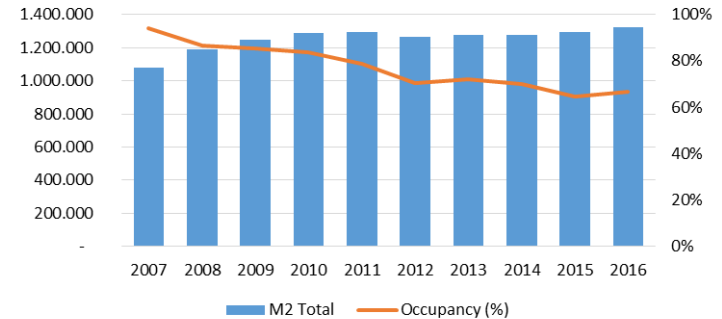
The office stock in Seville, where the Group has 85% of the GAV of its property assets, is showing signs of recovery in all activity indicators, with increased occupancy levels in 2016 up to 66.7%. Prices have also risen, particularly in prime areas, where the main assets of the Group are located (Cartuja, Nervión and Los Remedios).

Current prospects are optimistic:

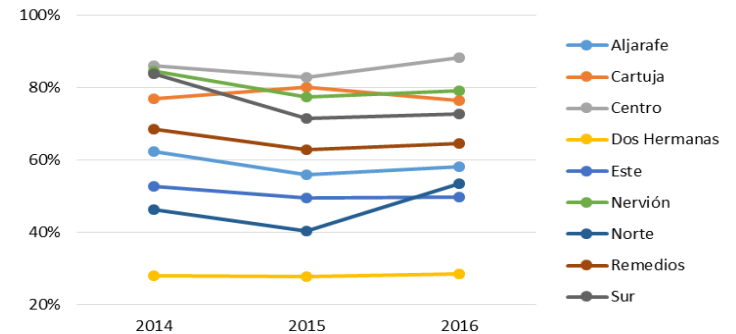
- Occupied surface area has increased by 5.5%
- Availability rates have decreased by 2%
- Negative absorption has passed to positive absorption in over 15,000 m<sup>2</sup>
- Average prices have increased by 2.3% over the past year.

All this enables us to confirm the recovery of the market. Similarly, the trend that started in 2016 is expected to continue, and once again record positive absorption levels and higher occupancy rates.

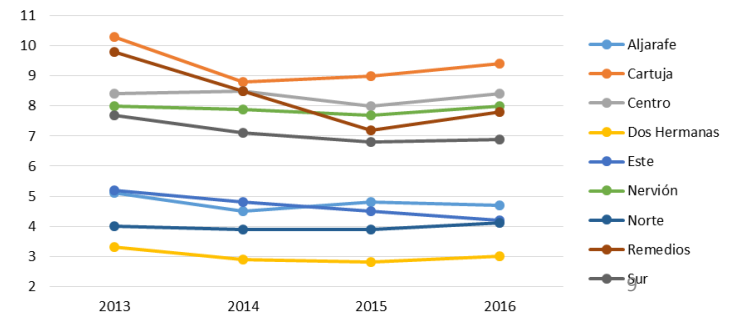
Evolution of m2 of office space in Seville and occupancy level



Evolution of the Office occupancy rate in Seville



Office rental prices in Seville (€/m)



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ECONOMIC ENVIRONMENT

INSUR GROUP

- MAIN CHARACTERISTICS
- DEVELOPMENT ACTIVITY
- PROPERTY ACTIVITY
- OTHER ACTIVITIES
- STOCK INFORMATION
- STRENGTHS

FINANCIAL HIGHLIGHTS

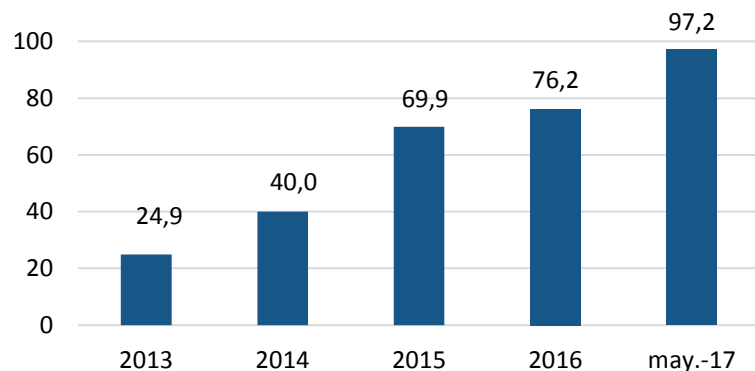
STRATEGY - STRATEGIC PLAN 2016 - 2020

ANNEXES

- Insur was founded 72 years ago (1945) and has been listed for 30 years (1984). It follows a prudent policy that has enabled it to overcome volatility inherent with the real estate sector.
- The Group has an LTV (NFD/GAV) of 39.6%.
- It operates in West Andalusia (basically in Seville), Malaga, Costa del Sol and Madrid.
- It has **two main areas of business**: Development and property
  - The **property business**, with assets amounting to 66% of the GAV of the Group (298.8 M€), has a quality asset portfolio located in prime areas, which allows it to:
    - reduce the impact of cycles of the real estate sector.
    - absorb financial expenses and part of structural costs in a standard occupancy environment.
    - generate recurring cash flow.
  - The **development business** amounts to 33.6% of the GAV (151.4 M€). It is an activity with the highest margins, which is tackled with the experience and profound knowledge of the market in which it operates. It benefits from opportunities inherent to the cycle, through investment during low phases, and maintaining measured volumes in property activity. Returns are partly allocated to the growth of the property asset portfolio.
- To support these activities, and of an instrumental nature, Insur Group develops **two secondary businesses**: the construction of buildings and real estate management projects, mainly for joint ventures (JVs), which generate additional income for the Group.

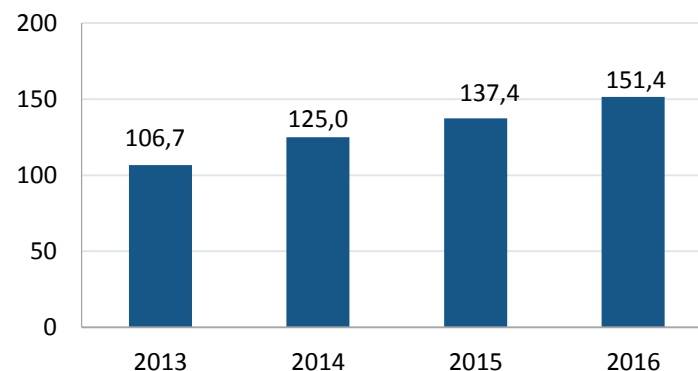
- Development is done either directly or through JVs, in which in the majority of cases, the Group has a 50% share.
- In JVs, the Group also leads the complete development process as industrial partner, by means of integral management, marketing and construction contracts. taking on all functions inherent to their activity.
- Residential development business focused in West Andalusia (basically in Seville), Malaga, Costa del Sol and Madrid.
- Mid-high range housing, basically in areas with contrasted demand.
- Vertical integration that covers from construction to marketing. This enables the margin of the builder to be integrated and adapt construction to the rate of pre-sales.

**Pre-sales evolution (M€)**



Pre-sales of joint and associated business are included, as these companies are managed by the Insur Group.

**GAV evolution (M€)**



In 2015 and 2016, in order to calculate the GAV, stocks are valued at their reasonable value. In previous years, they were valued at cost price. 12



1,115 homes delivered from 2009 to the 1st quarter 2017.

A total of 2,086 homes in portfolio

### Land portfolio for coming developments

- 160 homes completed and pending sale or delivery.
- 598 homes underway <sup>(1)</sup> directly by Insur in Madrid, Seville, Marbella, Huelva and Cordoba with a development potential of 80,598 m<sup>2</sup>.
- 500 homes underway through JVs (with Insur holding a 50% share), with a development potential of 65,726 m<sup>2</sup>.
- The Group also has over 102,341 m<sup>2</sup> on which around 702 homes will be built. These are planned to be started in 2018-2019.



Jardines de Arco Norte (Dos Hermanas)

### Remaining land portfolio

- 12,287 m<sup>2</sup> of buildable, consolidated urban land, 126 homes.
- 25,141 m<sup>2</sup> of buildable, unconsolidated urban land.
- 9,761 m<sup>2</sup> of buildable, designated building land.
- 29.630 m<sup>2</sup> of buildable plots for tertiary use.
- 127.000 m<sup>2</sup> of land pending development.



Edificio Miraflores (Seville)

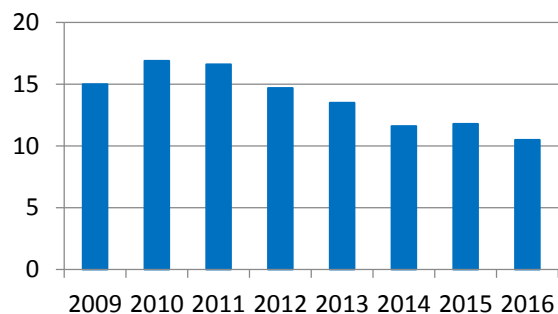
<sup>(1)</sup> Underway In the project or construction phase

# INSUR GROUP

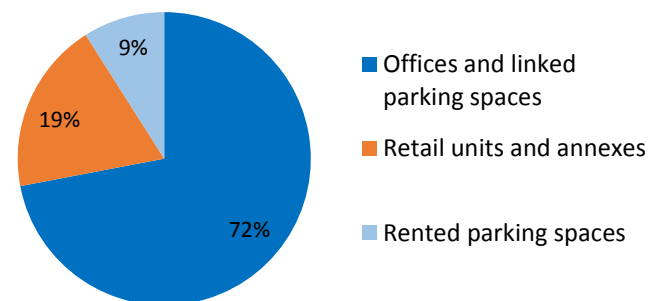
## PROPERTY ACTIVITY (I)

- The Group has an asset portfolio of commercial property and offices, with a total rentable surface area of 115,821 m<sup>2</sup> and 2,532 parking spaces, chiefly in the prime area of Seville. It also has assets in Huelva, Cordoba, Cadiz, Marbella and Madrid.
- GAV 298.8 M€ vs. Accounting costs of 132 M€, with unrecognised capital gains in the balance sheet of 166.8 M€ (2016)
- Market leader in offices in Andalucia.

### Evolution of income from rents in M€



### Distribution of Income from lease agreements by type of property



Edificio Insur (Seville)



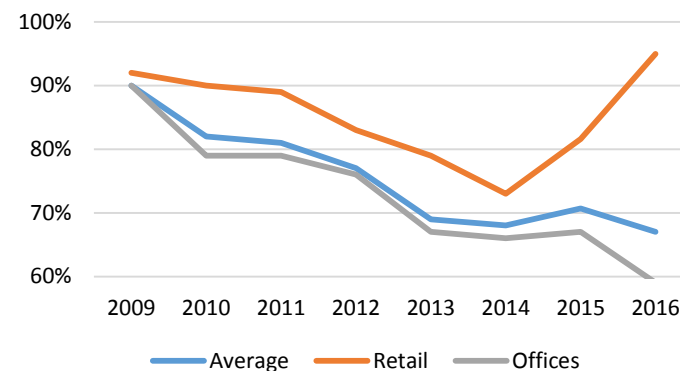
Business Centre República 21 (Seville)



Insur Cartuja (Seville)

	2014	2015	2016	May 2017
<b>M<sup>2</sup> Marketed (new registrations)</b>	9,292	10,590	11,763	5,912
<b>New registrations on the total GFA</b>	7.9%	9.2%	10.2%	5.1%

Evolution of occupancy rate



- Current vacancy is owing to the relocation of spaces previously occupied by the Autonomous Public Administration. In 2009, the public administration accounted for 46% of yearly rent.
- In 2016, the fall in office occupancy was the result of the Autonomous Administration vacating in May the 12,080 m<sup>2</sup> it had occupied in the Edificio Insur. At the end of the 2016 financial year, the Autonomous Administration only accounted for 6.74% of the Gross Leasable Area.
- From 2014 to 2016, 27.3% of total rentable surface area was remarketed. In 2017, the rate of new contracts has speeded up.

- Construction, integral management and marketing of real estate projects for JVs and financial entities.
- Increase and diversification of the turnover, providing additional income to the group increasing profitability of projects and efficiency ratios.
- The Group is today managing real estate projects with an approximate volume of 1,250 homes (Jvs and Delegated Promotion).
- Business lines with high synergies with the development business.

Main projects managed at present:		
<b>IDS MADRID MANZANARES, S.A.</b> <b>Partner: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>• Insur Madrid Río – Business Park (28,000 m<sup>2</sup> divided between 2 buildings)</li> </ul>	Work is planned to start in 2017.
<b>DESARROLLOS METROPOLITANOS DEL SUR, S.L.</b>  <b>Partner: Anida (BBVA Group): 50%</b>	<ul style="list-style-type: none"> <li>• Selecta Entrenúcleos (Seville), 2,390 homes</li> <li>• Alminar II (Marbella), 44 homes</li> <li>• Selecta Conil (Conil de la Frontera), 73 homes</li> </ul>	<b>UNDER CONSTRUCTION (214 HOMES):</b> <ul style="list-style-type: none"> <li>•Alminar II: 44 homes</li> <li>•Selecta Rodas: 54 homes</li> <li>•Selecta Arquímedes: 116 homes</li> </ul> <b>IN THE PROJECT PHASE (78 homes):</b> <ul style="list-style-type: none"> <li>•Selecta Atenas: 58 homes</li> <li>•Selecta Olimpia: 20 homes</li> </ul>
<b>IDS RESIDENCIAL LOS MONTEROS, S.A.</b> <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>• Los Monteros (Marbella)</li> <li>• 331 homes</li> </ul>	<b>IN THE MARKETING PHASE</b> <ul style="list-style-type: none"> <li>•Elements I: 53 homes</li> </ul> <b>WORKS STARTING IN 2017</b>
<b>IDS PALMERA RESIDENCIAL, S.A.</b> <b>Partners: Private investors (50%)</b>	<ul style="list-style-type: none"> <li>• Pineda Parque (Seville)</li> <li>• 170 homes</li> </ul>	<b>UNDER CONSTRUCTION:</b> <ul style="list-style-type: none"> <li>•1st PHASE 102 homes</li> </ul>
<b>Development delegated from Altamira (BSCH Group)</b>	<ul style="list-style-type: none"> <li>• Residencial Santa Bárbara (Seville)</li> <li>• 161 homes</li> </ul>	<b>UNDER CONSTRUCTION</b>



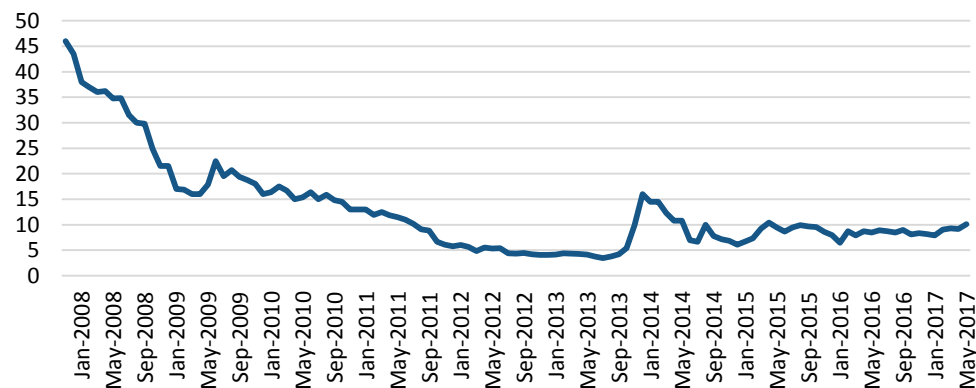
	2012	2013	2014	2015	2016	2017 <sup>(*)</sup>
Capitalization <sup>(*)</sup> (thousands of euros)	69,415	271,550	103,528	134,926	134,247	168,191
Last price of period (euros)	4.09	15.21	6.10	7.76	7.91	9.60
Volume (thousands of shares)	785	1,014	760	1,292	910	1,070
Turnover (thousands of euros)	3,691	4,786	5,301	12,315	7,437	9,908

(\*) Insur entered the continuous market on 1st April 2015

(\*\*) Date: May 2017

Insur aims to facilitate further and more recurrent information to the market by:

- Dissemination of value knowledge and
- Greater value hedge by analysis companies. Arcano Valores AV, S.A. currently covers the value, and there will shortly be the hedge of another three analysis companies.



Source Google Finance

1

**Excellent credit rating record:** 72 years of compliance. The Group overcame the last recession without any debt restructuring, releases or datings in payment. Financial soundness with **low debt ratios** (LTV of 39.6%) **Recurring income from leasing activities, which cover finance expenses and part of structure costs, under normal market conditions.**

2

Wide **knowledge and implementation in the markets** where it operates.

3

**A well-dimensioned and aligned staff** to cover all relevant areas of the value chain of the real estate market, along with an **experienced management team**, have enabled the company to reach a leading position in the market, with over **72 years in the sector.**

4

Excellent record in **identifying, acquiring and developing unique assets**, thereby creating a portfolio of **Premium assets.**

5

Insur is a **reliable, trustworthy partner** in the sector, enabling it to do business with partners in **joint ventures** in order to promote residential assets and Property assets.

6

**Good quality brand image and compliance to deadlines**, along with a **close customer relationship** (both during the pre-sales and after-sales phases).

7

Strong position in the **Leasing** sector, ability to provide **value added solutions** to customers.

8

**Vertical integration.** combining real estate activities with an **excellent construction platform and strong in-house sales**, maximizing margins and guaranteeing **excellent quality assets** delivered on schedule.

9

**Transparency** listing on the Stock Exchange since 1984, and full commitment with compliance to corporate governance standards.

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ECONOMIC ENVIRONMENT

INSUR GROUP

**FINANCIAL HIGHLIGHTS**

- EVOLUTION OF THE MAIN INDICATORS
- FUNDING

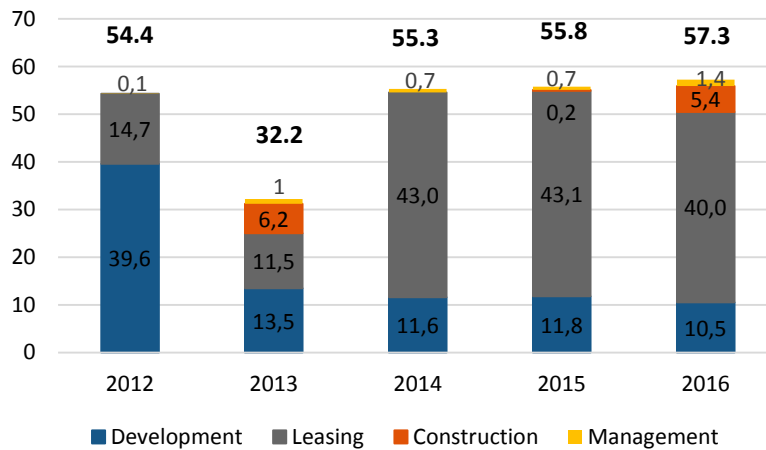
STRATEGY - STRATEGIC PLAN 2016 - 2020

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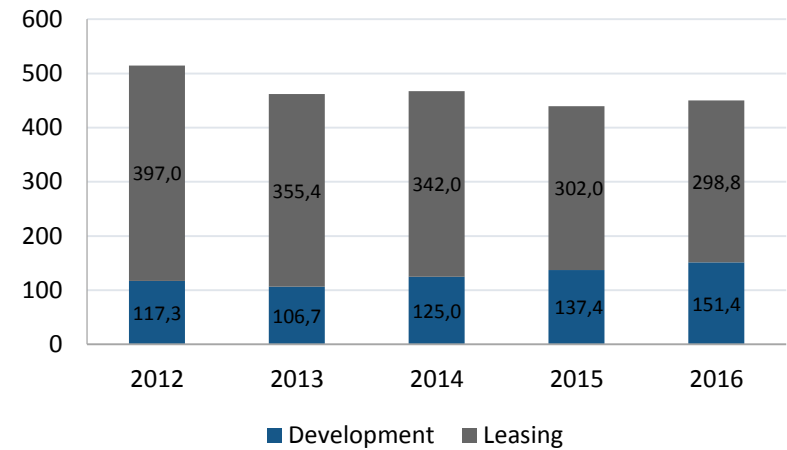
# FINANCIAL HIGHLIGHTS

## EVOLUTION OF THE MAIN INDICATORS

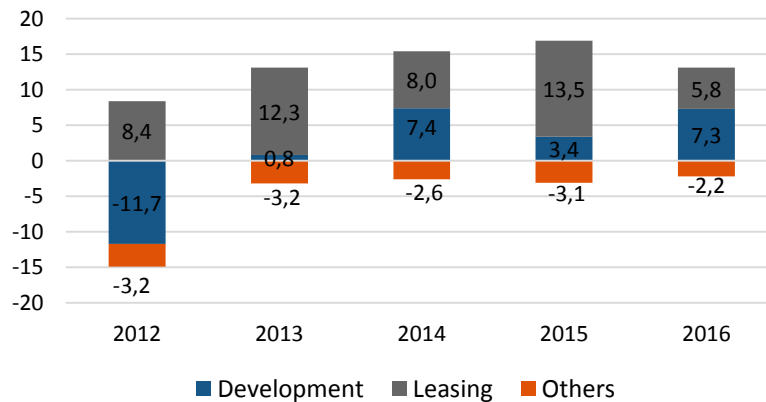
### Evolution of sales per business (M€)



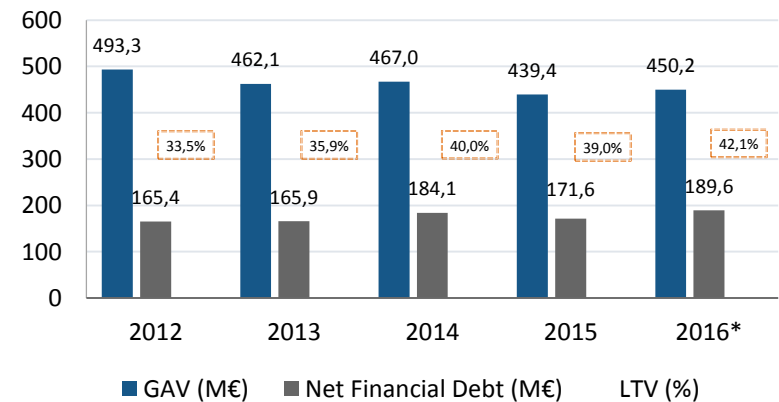
### GAV evolution per business (M€)



### Evolution of operating Result per business (M€)

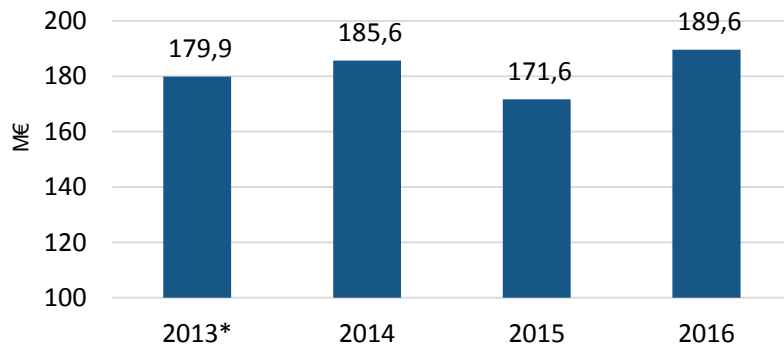


### Loan to Value Evolution





**Evolution of net financial debt**



\*includes net financial debt of Hacienda La Cartuja S.A.U. and IDS Residencial, S.A.U. through proportional integration.

**Composition of the debt:**

	C/P	L/P	TOTAL
Corporate funding (*1)	11.8	122.1	133.9
Funding on projects (*2)	1.6	57.0	58.6
Financing of working capital (*2)	7.8	4.0	11.8
	<b>21.2</b>	<b>183.1</b>	<b>204.4</b>

Figures in M€

**Breakdown of the L/T debt per financial year**

	Corporate funding	Funding on projects	Funding of working capital
2018	9.1	9.0	4.0
2019	9.3	2.4	-
2020	9.1	2.3	-
2021	9.0	2.4	-
2022 and following	85.5	40.9	-
	<b>122.1</b>	<b>57.0</b>	<b>4.0</b>

Figures in M€

(\*1) With mortgage guarantee, 129.4 M€.

(\*2) These s/t maturities will be renewed throughout the 2017 financial year.

- **Adaptation of the financial model:** transformation in 2012 of the typology of debt in bilateral negotiations with each of the financial entities, for an amount of 102 M€, converting debt with personal guarantee and short and medium-term maturities into a mortgage guarantee with long-term maturities (15-20 years).
- Renegotiation in the second half of 2016, of the spreads of all corporate debt, reducing them by 1/3 with respect to those agreed in 2012.

- **Solvency:**
  - **LTV**  $\leq$  40% (DFN/GAV)
  - 28.2% of the value of property assets free of encumbrances (84 M€)
  - Property assets with a market value of 215 M€ in guarantee of 129.4 M€ of financial debt.
- Over 70 years **meeting obligations to creditors, without any debt restructuring, releases or dations in payment.**
- The debt strategy of the group enables **recurring income from leasing activities, under normal market conditions, to cover payment of the financial burden** of all the debt of the Group and a large part of structure costs.



Pineda Parque (Seville)



Residencial Conde de Zamora (Córdoba)



Elements (Marbella)

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ECONOMIC ENVIRONMENT

INSUR GROUP

FINANCIAL HIGHLIGHTS

STRATEGY - STRATEGIC PLAN 2016 - 2020

- STRATEGY OF THE GROUP
- COMPLIANCE TO THE STRATEGIC PLAN 2016 - 2020

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## DEVELOPMENT ACTIVITY

1. Investment basically in land for urban development
2. Development of project in markets with a wide knowledge.
3. Development of projects in areas with contrasted demand (first residence in provincial capitals and metropolitan areas).
4. Vertical integration.
5. Debt measured with property activities.
6. Diversification of risk by sharing projects with financial investment partners.

## PROPERTY ACTIVITY

1. Development of assets from development activities.
2. New investments located in Madrid.

## CONSTRUCTION AND MANAGEMENT ACTIVITY

1. Generation of additional income, as real estate projects developed through JVs are managed and created.
2. Provision of these services also to financial institutions (For example: Delegated promotion).

## FINANCIAL STRUCTURE

1. Maintenance of reduced debt (LTB < 40%)
2. Diversification of financing sources



Residencial Santa Bárbara (Development delegated from Altamira )



# COMPLIANCE TO THE STRATEGIC PLAN 2016 - 2020

## PROPERTY ACTIVITY

OBJECTIVES OF THE STRATEGIC PLAN 2016 - 2020		COMPLIANCE 2016
Business Turnover	Objective: 16.5 – 17.2 M€ to be attained in 2020	N/A
Occupancy rate	Objective: 85-90%	11,763 m <sup>2</sup> of new registers have been arranged, 10.2% of the portfolio
Planned investments	58 M€	Acquisition of land to develop the Insur Madrid Rio Business Park and other assets of approximately 17,000 <sup>2</sup> and a planned investment of 42 M€
Location	Diversification, focus in Madrid	Acquisition including various plots of land to develop the projects: Insur Madrid Río and Plaza del Teatro (Malaga)
Type of product	Diversification	Increase of the portfolio in the Retail segment and approximately 2,000 m <sup>2</sup> for the Business Centre activities
Customers	Diversification, multi-tenant strategy	<ul style="list-style-type: none"> <li>• Repositioning of Edificio Insur</li> <li>• Business Centre República 21 (Seville)</li> </ul>
CAPEX (M€)	Planned investment of 12 M€	<ul style="list-style-type: none"> <li>• Investment in 2016 of 1 M€</li> <li>• Committed investments for 3 M€</li> </ul>



# COMPLIANCE TO THE STRATEGIC PLAN 2016 - 2020

## DEVELOPMENT ACTIVITY

OBJECTIVES OF THE STRATEGIC PLAN 2016 - 2020		COMPLIANCE 2016
Consolidation of expansion and geographic diversification, strengthening Madrid and Costa del Sol.		Acquisition of residential land in San Sebastián de los Reyes, Boadilla del Monte and Malaga
Investment in plots of land	150 M€	48 M€
Planned deliveries	2,000 – 2,500 homes	There are currently 1,900 homes in the portfolio, without including the optioned homes of Desarrollos Metropolitanos del Sur, S.A., a company incorporated at 50% with Anida (BBVA Group)
Collaborations	Private investors and financial institutions	<ul style="list-style-type: none"> <li>Sareb: projects of Insur Madrid Río (Property promotion), Plaza del Teatro (Malaga) and Jardines de Santa Ana III (Dos Hermanas)</li> <li>Incorporation of a JV with private investors, IDS Madrid Manzanares, S.A.</li> </ul>

Los Naranjos Singles (Márbella – Málaga)



# COMPLIANCE TO THE STRATEGIC PLAN 2016 - 2020

## CONSTRUCTION AND MANAGEMENT ACTIVITY AND FINANCIAL STRUCTURE

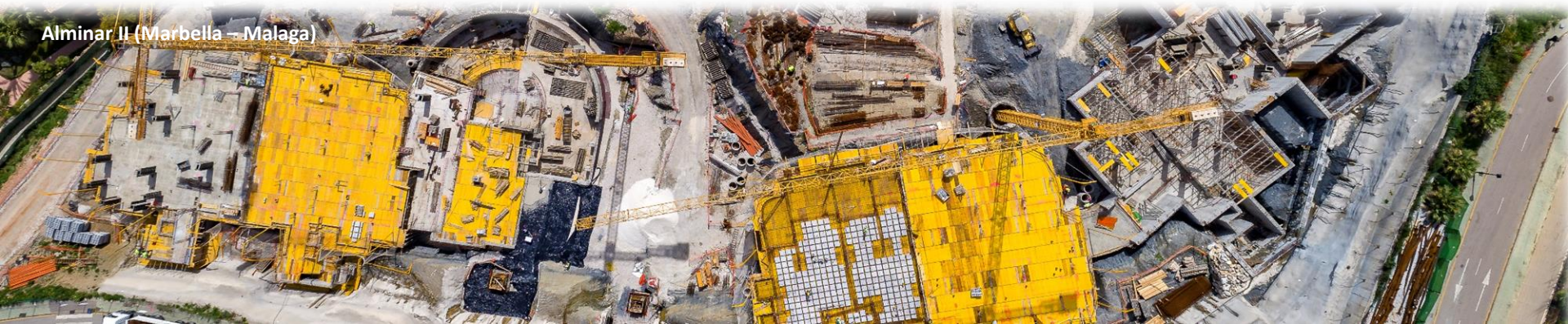
OBJECTIVES OF THE STRATEGIC PLAN 2016 - 2020		COMPLIANCE 2016
Construction Income	220 M€	200 M€*
Management Income	12 M€	12M€*

Estimate to date with projects in portfolio

OBJECTIVES OF THE STRATEGIC PLAN 2016 - 2020		COMPLIANCE 2016
LTV	Maintenance of the LTV (debt fra.) Net / GAV) less than 40%	39.6%*
Diversification of financing sources		

Adding 28.4 M€ to the GAV of investments in real estate companies that integrate through the equity method.

Alminar II (Marbella – Malaga)





## Contents

ECONOMIC ENVIRONMENT

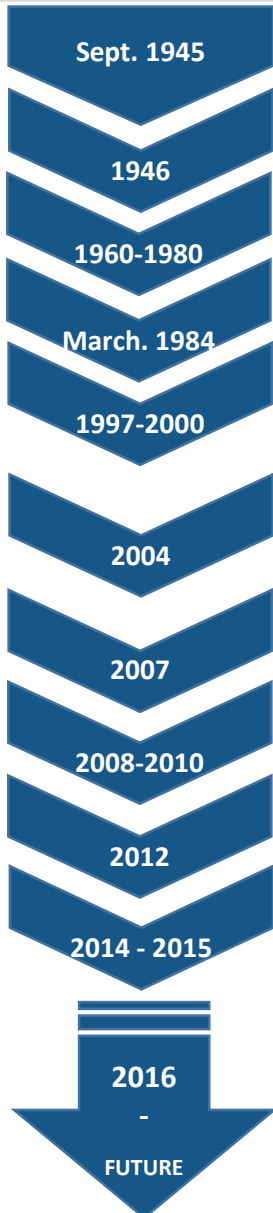
INSUR GROUP

FINANCIAL HIGHLIGHTS

STRATEGY - STRATEGIC PLAN 2016 - 2020

ANNEXES

- OVER 70 YEARS OF SUCCESS
- CORPORATE GOVERNANCE
- COMPOSITION OF THE MANAGEMENT BOARD
- ORGANIZATION STRUCTURE AND HUMAN RESOURCES
- MANAGEMENT TEAM
- CORPORATE STRUCTURE
- DETAILS OF INVESTMENTS
- PROJECTS PORTFOLIO
- PROJECTS THROUGH JVs
- FINANCIAL STATEMENTS

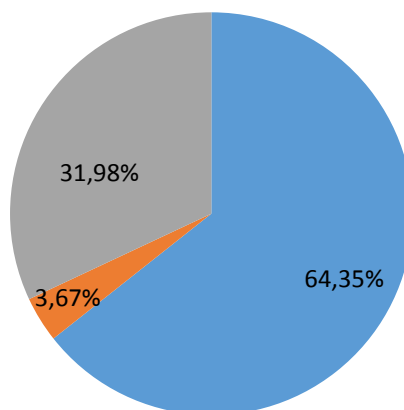


- Foundation.
- Acquisition of plots of land in Avda. República Argentina, Seville.
- Start of property management activities.
- Starts listing on the Madrid Stock Exchange.
- Geographic expansion.
- JV with Local Savings Banks.
- Expansion in the Costa del Sol.
- Accelerated development in the leasing business.
- ISO 9001 .
- Receives the "Company of the Year" Award (Antares).
- Expansion in Madrid
- Diversification of activities.
- Receives the Award to the "Company with the best track record in Andalucía" (ABC and Banco Sabadell).
- Transformation of the financial model:
- Incorporation in the general segment of the Continuous Market.
- Joint Venture with Anida Operaciones Singulares, S.A.U. (BBVA Group).
- Approval of the Strategic Plan 2016 - 2020
- Specification of Company Strategy
- Increased human capital.
- Reinforcement of geographic diversification through purchasing land in different areas where Insur Group operates.

## Management Board with a strong commitment to the highest standards of corporate governance.

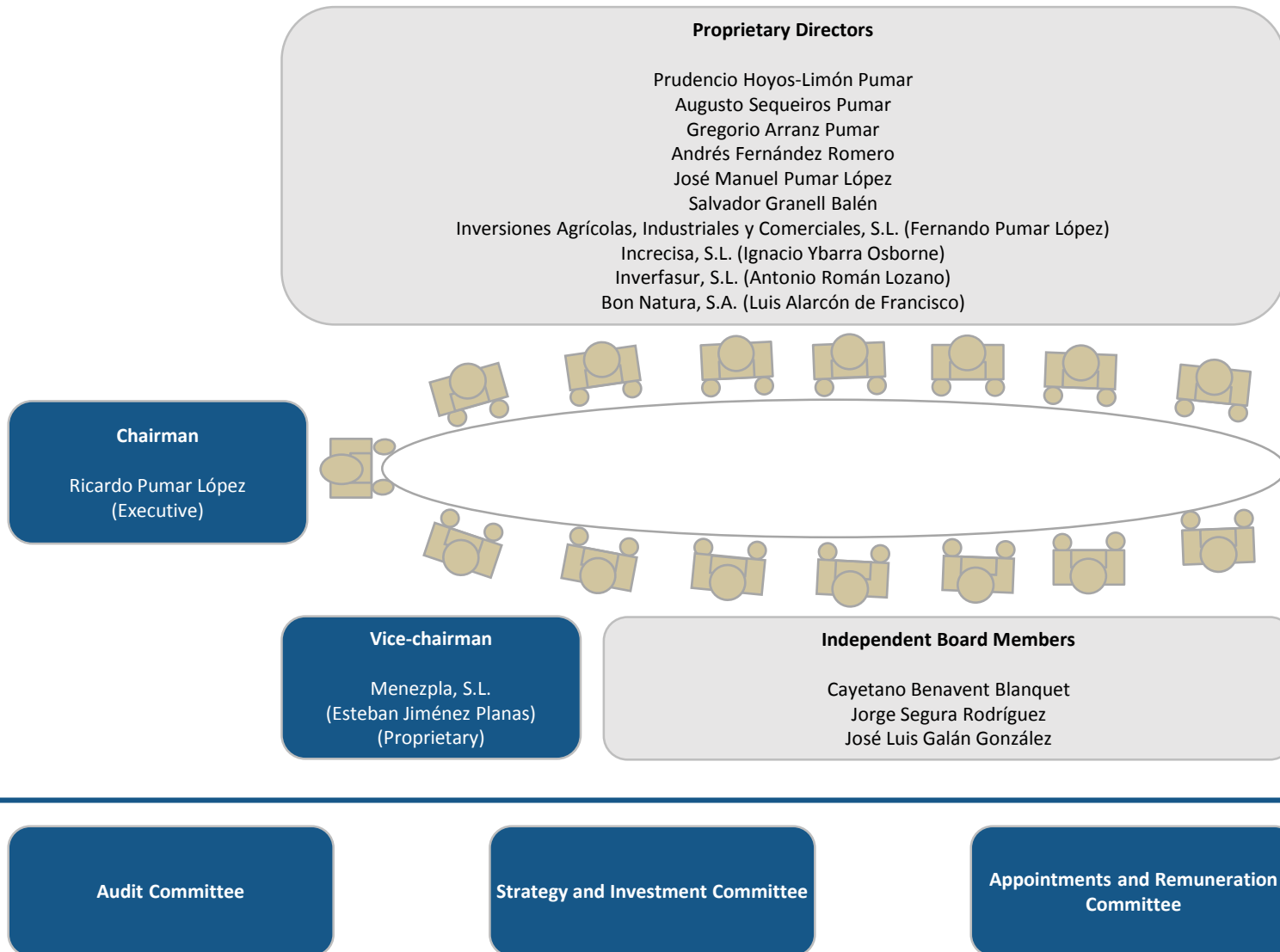
- The Management Board represents 64% of Insur capital. A large part of this participation is held by the Pumar family, who commits a significant part of its property.
- Involvement of the Management Board in decision-making regarding investment and divestment.
- Adherence to the highest ethical standards in the development of business.
- Maximum standards of corporate governance.
- Share and institutional stability allow a long-term business strategy.

Current shareholding structure



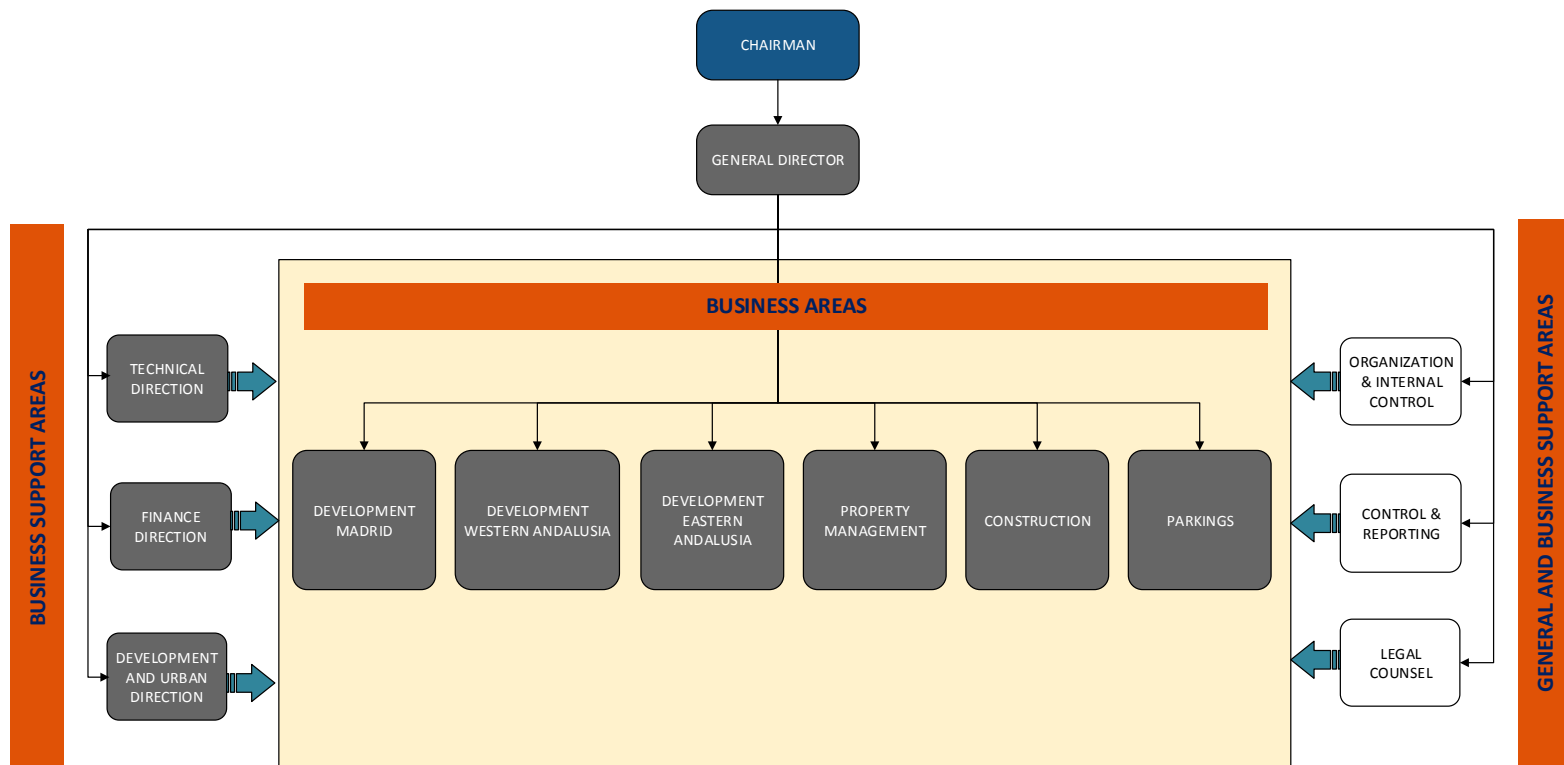
■ Management Board    ■ Treasury Stock    ■ Free Float





- Matrix structure organized by business lines and groups and areas of back-up and support.
- Well-balanced workforce, with 150 employees at present, a significant increase since 2014, owing to the relaunch of development activities.
- Low turnover of staff.

**Functional organization chart of the Insur Group**





Ricardo Pumar López  
Chairman

Board member since 2001 and Chairman of the Management Board since 2005. Graduated in Law and Business Administration (UCADE) and Senior Management Programme (Instituto San Telmo). He has 20 years experience in Business Administration and Civil Law.



Francisco Pumar López  
General Director

He joined Insur in 1999. Graduated in Law (Universidad de Sevilla) and MBA (ESADE). He started his career with Insur as Director of the Development and Urbanism department, and later Deputy General Director, becoming General Director in 2010.



Domingo González Gómez  
Financial Director

He joined Insur in 2002. Graduated in Business Administration and Management (Universidad de Sevilla), Accounts Auditor and MBA (Instituto San Telmo). He had previously developed his professional career in internal and external auditing. He joined Insur as head of investment companies and controller. Since 2007, he is Financial Director.



Zacarías Zulategui Represa  
Director in Development for  
West Andalucía.

He joined Insur in 2009. Graduated in Law (Universidad de Sevilla), MBA (ESADE), Real Estate Company Management Course (IESE) and Course in Urban Planning (IFE). He previously worked as Director of Development in various real estate companies.



Rafael Torres Claros  
Director in Development for  
East Andalucía.

He joined Insur in 2010. Industrial Engineer (Universidad de Málaga) and Senior Management Programme (Instituto San Telmo). He previously worked as Director of Real Estate Projects in national building companies.



Enrique Ayala Martínez  
Director of Development in  
Madrid

He joined Insur in 2007. Graduated in Law and Business Sciences (ICADE) and MBA (IESE). He was previously Head of Expansion and Development in the central area of Spain in an international shopping centre company.



Lola Cánovas García  
Property Management Director

She joined Insur in 1994

Diploma in Business Sciences (Escuela Universitaria de Estudios Empresariales de Murcia) and Diploma in Business Management (Instituto San Telmo).

She has developed her entire professional career at Insur, initially in the commercial department, as Director of Quality, and since 2010 as Director of Property Management.



Pedro Candáu Bejarano  
Construction Director

He joined Insur in 1997

Technical Architect (Universidad de Sevilla), Real Estate Management Programme (CEU) and Business Administration Programme (Instituto San Telmo).

Since he joined the company, he has held various positions - director of projects, construction manager and since 2011, Construction Director.



José Luis Jiménez Mavillard  
Technical Director

He joined Insur in 2015

Technical Architect and Building Engineer (Universidad de Sevilla).

He had previously been group manager and technical director in national and international building and development companies. He started his professional career at Insur as Technical Manager of West Andalusia, and was nominated Technical Director of the group in 2017.



Alejandro Fernández de la Peña  
Director of Business and Car parks

He joined Insur in 2007

Industrial Engineer (Universidad de Malaga) and Business Management and Administration Programme (Instituto San Telmo).

He had previously developed his professional career in the Municipal and Services Company of Malaga. He joined Insur as Director of Car parks and since 2016, he is also Manager of the Business Centre.

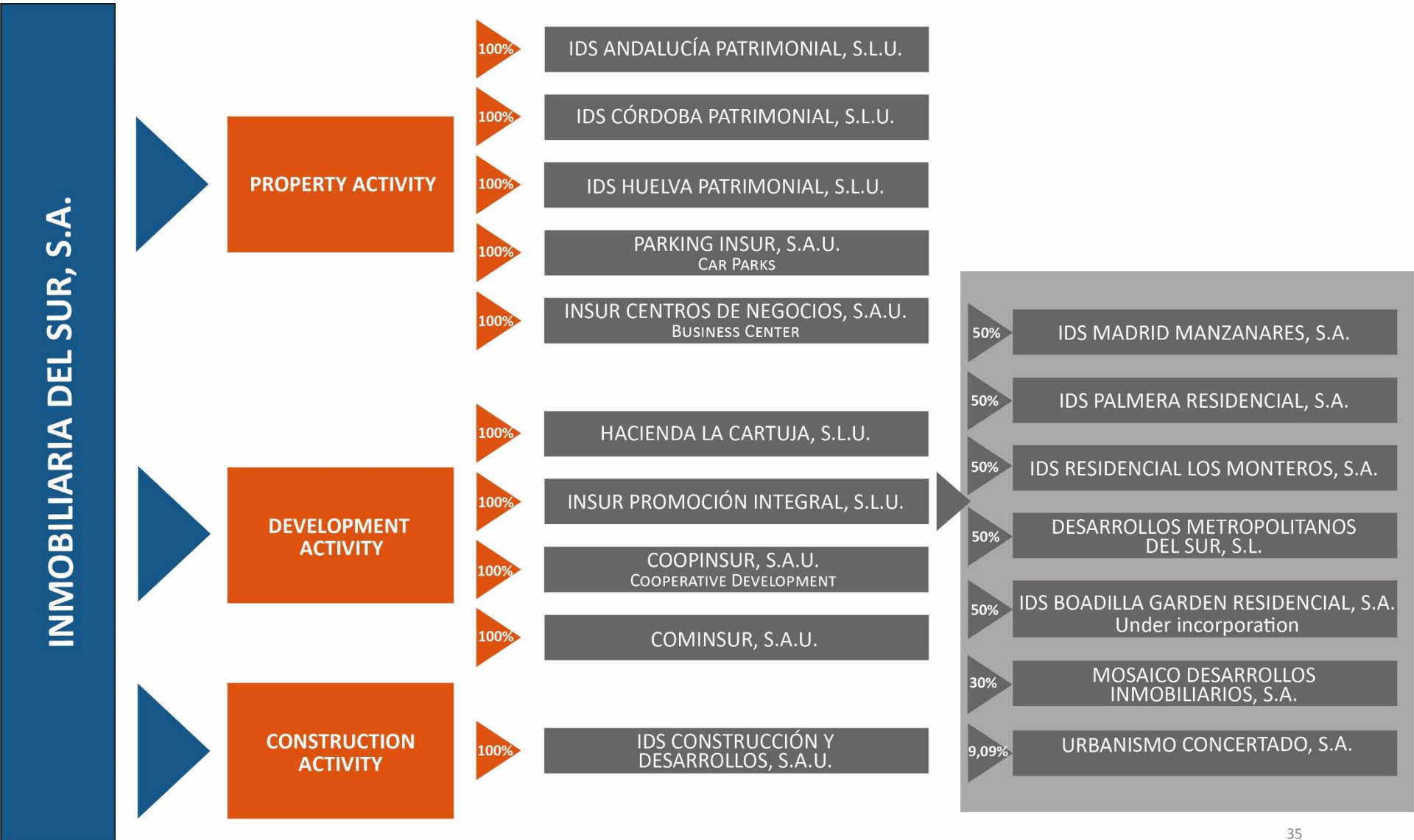


José Antonio Carrillo Almagro  
Director of Development and Town Planning

He joined Insur in 2005

Graduated in Business Administration and Management (Universidad de Sevilla) and Senior Course of Expert in Construction Law (Instituto de Estudios Cajasol).

He started his professional career at Insur as Senior in the Development and Town Planning department, and was appointed Director of this department in 2010.



# PROPERTY BUSINESS: DETAILS OF REAL ESTATE INVESTMENTS





Building	City	Primary use	M² SR
EDIFICIO REPÚBLICA ARGENTINA, 25	Seville	Offices and retail units	19,749
EDIFICIO INSUR	Seville	Offices and retail units	16,495
EDIFICIO REPÚBLICA ARGENTINA, 23	Seville	Offices and retail units	7,968
EDIFICIO REPÚBLICA ARGENTINA, 21	Seville	Offices and retail units	6,580
EDIFICIO CENTRIS II	Tomares	Offices and retail units	8,917
EDIFICIO INSUR HUELVA	Huelva	Offices and retail units	8,880
EDIFICIO INSUR CARTUJA	Seville	Offices and retail units	8,126
C.COMERCIAL EL MIRADOR S.JUSTA	Seville	Retail units	7,133
EDIFICIO CAPITOLIO	Seville	Offices and retail units	5,083
AVDA.REP.ARGENTINA, 27-29-31	Seville	Offices and retail units	1,873
EDIFICIO SUECIA	Seville	Offices and retail units	3,125
EDIFICIO IDS ANDALUCÍA	Seville	Offices and retail units	3,255
EDIFICIO IDS CÓRDOBA	Cordoba	Offices and retail units	2,766
EDIFICIO IDS HUELVA	Huelva	Offices and retail units	2,188
EDIFICIO MENARA	Seville	Offices and retail units	2,704
PAGES DEL CORRO 188	Seville	Retail units	1,494
MIRAFLORES	SEVILLE	Retail Unit	1,184
JOAQUÍN TURINA	Madrid	Retail units	1,406
MARKET CENTER	Marbella	Offices and retail units	780
AVDA.REP.ARGENTINA, 35	Seville	Retail units	748
CLUB SOCIAL LOS NARANJOS DE MARBELLA	Marbella	Retail units	739
CAPITAN HAYA 24-25	Madrid	Offices and retail units	521
OTHERS		Offices and retail units	4,107
			<b>115,821</b>

BUILDING	City	Primary use	m²
AVDA.REP.ARGENTINA, 31	Seville	Offices and retail units	1951
AVDA.REP.ARGENTINA, 44	Seville	Retail units	238
AVDA.REP.ARGENTINA, 48	Seville	Retail units	175
AVDA.REP.ARGENTINA, 50	Seville	Retail units	400
AVDA.REP.ARGENTINA, 52		Retail units	120
			<b>2,884</b>

Properties provided to DMS, an investee company at 50% by Insur Group and Anida, BBVA Group.

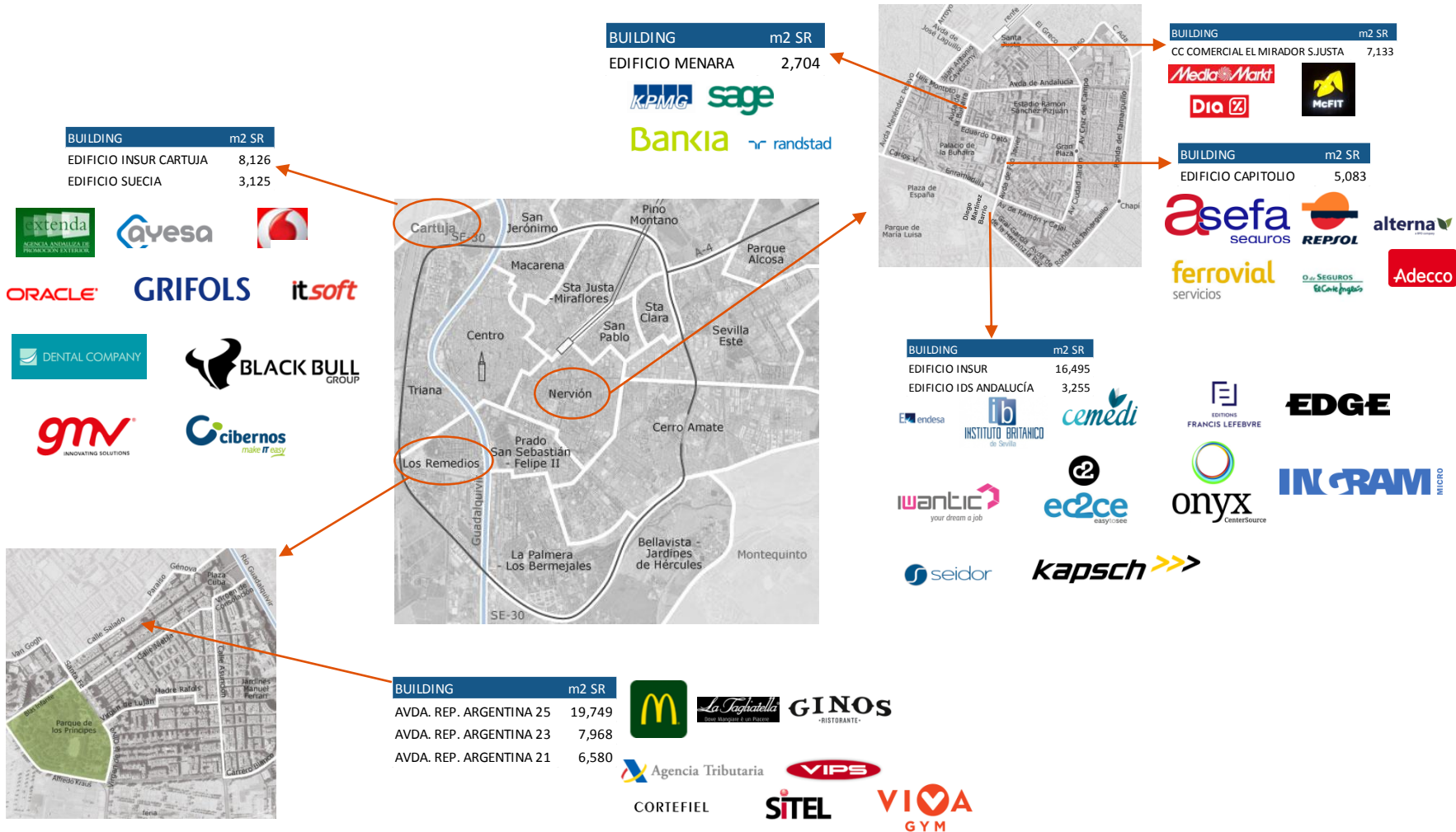
Data from May 2017

In 2016, through IDS Madrid Manzanares, S.A., an investee company at 50%, and two private investors, Insur Group acquired a plot of 14,000 m<sup>2</sup>, on which to build a Business Park of 28,000 m<sup>2</sup>, of Gross Leasable Area, distributed into two state-of-the-art buildings.



# PROPERTY BUSINESS: DETAILS OF REAL ESTATE INVESTMENTS

## MAIN RENTED BUILDINGS IN SEVILLE



# DEVELOPMENT BUSINESS DETAILS OF SOME DEVELOPMENTS



## PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Parque Guadaira	Seville	2,566	18	4.4	2017
Jardines de Arco Norte 2	Dos Hermanas (Seville)	4,376	38	6.9	2017
Antonio Mairena	Castilleja de la Cuesta (Seville)	3,467	32	5.0	2017
Jardines de Arco Norte 3	Dos Hermanas (Seville)	3,140	27	5.1	2018
Edificio Galileo	Mairena del Aljarafe (Seville)	5,390	42	7.9	2018
La Reserva - El Rompido	Cartaya (Huelva)	6,582	66	14.8	2018
La Riviera	Marbella (Malaga)	3,409	17	6.1	2018
Altos del Retiro 1st Phase	Malaga	2,760	22	4.7	2017
Insur Moscatelares	San Sebastián de los Reyes (Madrid)	5,847	38	15.8	2018/19
		<b>35,537</b>	<b>300</b>	<b>70.7</b>	

## PROJECTS STARTING CONSTRUCTION IN 2017

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Plaza del Teatro	Malaga	7,032	57	24.2	2019
Boadilla Garden 1st Phase	Boadilla del Monte (Madrid)	6,760	36	17.2	2019
Boadilla Garden	Boadilla del Monte (Madrid)	9,720	54	27.9	2019/20
Conde de Zamora	Cordoba	10,296	81	20.8	2019
Jardines de Santa Ana III	Dos Hermanas (Seville)	4,862	35	7.2	2019
Altos del Retiro 2nd Phase	Malaga	4,391	35	7.0	2019
		<b>43,061</b>	<b>298</b>	<b>104.3</b>	

## PROJECTS IN DEVELOPMENT PROCESS

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Boadilla Garden 2nd Phase	Boadilla del Monte (Madrid)	7,108	38	18.5	2020
		<b>7,108</b>	<b>38</b>	<b>18.5</b>	

<b>TOTALS</b>		<b>87,706</b>	<b>636</b>	<b>193.5</b>	
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## JV PROJECTS UNDER CONSTRUCTION

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Selecta Rodas	Dos Hermanas (Seville)	7,560	54	12.3	2017
Alminar II	Marbella (Malaga)	8,074	44	21.5	2018
Pineda Parque 1st Phase	Seville	17,767	102	36.2	2018/19
Selecta Arquímedes	Dos Hermanas (Seville)	13,201	116	20.5	2018/19
		<b>46,602</b>	<b>316</b>	<b>90.5</b>	

## PROJECTS STARTING CONSTRUCTION IN 2017

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Elements Phase I	Marbella (Malaga)	6,656	53	16.3	2019/20
Selecta Atenas	Dos Hermanas (Seville)	8,534	58	13.2	2019
Selecta Conil	Conil de la Frontera (Cádiz)	8,131	73	15.4	2019/20
		<b>23,321</b>	<b>184</b>	<b>44.9</b>	

## PROJECTS IN DEVELOPMENT PROCESS

Development	Location	Building potential	No. of homes	Volume of sales (MM €)	Planned delivery
Pineda Parque 2nd Phase	Seville	8,249	68	24.7	2020
UA-1	Dos Hermanas (Seville)	3,934	20	6.1	2020
BC-2	Dos Hermanas (Seville)	13,761	116	21.4	2021/22
BA-2	Dos Hermanas (Seville)	12,032	108	19.7	2022/23
BA-3	Dos Hermanas (Seville)	10,499	93	16.5	2020/21
Elements Phase II	Marbella (Malaga)	8,118	66	21.1	2019/20
Elements Phase III	Marbella (Malaga)	4,324	34	9.4	2020
QuintEssence Phase I	Marbella (Malaga)	10,282	45	13.6	2019/20
QuintEssence Phase II	Marbella (Malaga)	11,791	53	14.7	2020/21
QuintEssence Phase III	Marbella (Malaga)	12,243	61	15.7	2021
		<b>95,233</b>	<b>664</b>	<b>162.9</b>	

## TOTALS

**165,156      1.164      298,3**



## DESCRIPTION OF THE PROJECT

- In 2016, the company IDS Madrid Manzanares, S.A. was incorporated between Insur and two private investors at 50%, to develop a state-of-the-art Business Park, next to the "Google Campus" and the Mahou Calderón urban project in Madrid.
- Total building potential: 28,000 m<sup>2</sup>t.
- Two buildings of 14,000 m<sup>2</sup>t each, 1,750 m<sup>2</sup> per floor and with underground parking.
- Own funds: 16 M€
- Planned investment 69 M€



### LAUNCHING OF INITIAL DEVELOPMENTS

- Start-up of the Selecta Entrenúcleos megaproject in Dos Hermanas (Seville). In 2016, start of marketing and construction of the first two developments of the 19 planned.
- Developments commenced in Entrenúcleos are: Selecta Rodas (54 houses with communal areas) and Selecta Arquímedes (116 apartments with gardens, sports facilities and swimming pools). The works of Alminar II in Marbella (44 luxury apartments) are progressing.
- In 2017, launching of the Selecta Atenas development is planned, with 61 houses.
- New projects are also being studied in 2017, with the aim of extending the land portfolio of the company and developing residential properties on the coast, Selecta Costa.

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This Company was incorporated in 2015 at 50% by Insur and Anida Operaciones Singulares S.A.U. (of the BBVA group). Its aim is to build residential developments, mainly on UE1 plots of the Entrenúcleos Partial Plan (SEN-1) of the PGOU in Dos Hermanas (Seville). The global project covers potential development of 292,726 m<sup>2</sup>, and the development of 2,434 homes is planned in successive stages.



Selecta Rodas (Dos Hermanas)



Selecta Rodas (Dos Hermanas)

# FINANCIAL STATEMENTS

## CONSOLIDATED BALANCE SHEETS

	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017
Fixed assets and real estate investments	129	135	132	132	134
Investments in associate companies	12	6	20	27	27
Assets by deferred tax	8	12	13	12	13
Other non-current assets	3	2	1	2	2
<b>Total non-current assets</b>	<b>152</b>	<b>156</b>	<b>167</b>	<b>174</b>	<b>177</b>
Stock	107	125	114	133	127
Other current assets	9	8	8	16	13
Cash and equivalent liquid assets	12	16	24	15	11
<b>Total current assets</b>	<b>128</b>	<b>149</b>	<b>146</b>	<b>164</b>	<b>152</b>
<b>TOTAL ASSETS</b>	<b>280</b>	<b>304</b>	<b>313</b>	<b>338</b>	<b>329</b>
Capital stock	34	34	34	34	34
Reserves	46	48	49	52	56
Shares of the Parent Company	(9)	(10)	(10)	(10)	(10)
Consolidated result	3	3	6	4	1
<b>Total net worth</b>	<b>73</b>	<b>76</b>	<b>78</b>	<b>80</b>	<b>81</b>
Debts with financial institutions	115	121	126	126	126
Liabilities by deferred tax	4	3	3	3	3
Other non-current liabilities	4	4	4	3	3
<b>Total non-current liabilities</b>	<b>123</b>	<b>128</b>	<b>133</b>	<b>132</b>	<b>132</b>
Long-term debts with credit institutions	48	57	55	57	53
Short-term debts with credit institutions	15	22	14	21	19
Other current liabilities	20	22	32	48	43
<b>Total current liabilities</b>	<b>83</b>	<b>101</b>	<b>101</b>	<b>126</b>	<b>115</b>
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>280</b>	<b>304</b>	<b>313</b>	<b>338</b>	<b>329</b>

Amounts in M€



# FINANCIAL STATEMENTS

## CONSOLIDATED PROFIT AND LOSS ACCOUNTS

	31.12.2013		31.12.2014		31.12.2015		31.12.2016		31.03.2017	
Net value of turnover		32,2		55,3		55,8		57,3		20,2
Other operating income		1,0		1,3		1,1		0,5		0,1
Income expenses	-	26,1	-	45,3	-	54,3	-	46,7	-	18,4
Provision for amortization	-	2,4	-	2,5	-	2,5	-	2,6	-	0,6
Result of disposal of non-current assets		5,2		2,7		8,6		2,4		-
Other results		-		1,2		-		-		-
<b>Operating income</b>		<b>9,9</b>		<b>12,7</b>		<b>13,8</b>		<b>11,0</b>		<b>2,6</b>
Financial result	-	5,8	-	5,7	-	7,0	-	5,8	-	1,3
<b>Pre-tax result</b>		<b>4,1</b>		<b>7,0</b>		<b>6,9</b>		<b>5,2</b>		<b>1,3</b>
Tax on profits	-	1,0	-	3,6	-	1,2	-	1,3	-	0,3
<b>Results of the financial year</b>		<b>3,0</b>		<b>3,5</b>		<b>5,7</b>		<b>3,9</b>		<b>1,0</b>

Amounts in M€

	31.12.2013	31.12.2014	31.12.2015	31.12.2016
EBITDA	12	14	17	14
GAV <sup>(1)</sup>	462	467	439	450
GAV <sup>(2)</sup>	474	481	484	492
NAV <sup>(1)</sup>	296	283	268	261
NAV <sup>(2)</sup>	298	288	278	287
LTV <sup>(1)</sup>	35.9%	39.4%	39.0%	42.1%
LTV <sup>(3)</sup>	35,0%	38,9%	37,2%	39,6%

Amounts in M€

(1) Corresponding to assets and liabilities of the Company or 100% subsidiaries

(2) With the incorporation of assets and liabilities of JVs in the proportion in which the Company participates.

(3) Adding to the GAV (1) of investments in real estate companies that integrate through the equity method.

**READY TO GROW WITH PROFITABILITY**

**INSUR MADRID RÍO - BUSINESS PARK**

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